

Fact Sheet

GENERAL SENIOR FINANCIAL EXPLOITATION BACKGROUND:

- Financial exploitation of seniors is quickly becoming THE crime of the 21st century.
- 60-90% of perpetrators of financial abuse are family members or caregivers.
- Financial crimes against seniors are dramatically underreported. It is estimated that only 1 of every 100 victims reports the crime.
- As many as 5,000,000 seniors fall victim to financial abuse annually.
- Nursing homes, with large senior and vulnerable adult populations provide an exceptionally attractive target. Michigan currently has approximately 420 nursing homes with over 40,000 residents.

RESULTS TO DATE:

- In the 9 months since the project was initiated in 8/07, a total of 22 warrants have been filed for financial victimization of vulnerable adults in nursing homes. This includes the 12 recent filings.
- Region 1 - Upper Peninsula (31 nursing homes). All 31 nursing homes responded. Thirteen facilities (42%) identified 45 nursing home residents with a payment arrearage. Six warrants relate to this region. An additional 22 cases remain under investigation.
- Region 2 - 16 counties in northwest Michigan (27 facilities). All facilities responded. Thirteen (48%) facilities identified 32 nursing home residents with a payment arrearage. Three warrant relate to this region. An additional 27 cases remain under investigation.
- Region 3 - 8 counties in west Michigan (55 facilities). Fifty-five homes responded. Thirteen of the facilities (24%) identified 47 nursing home residents with a payment arrearage. An additional 36 cases remain under investigation.

ANECDOTAL CASES:

- Daughter incurred over a \$2,200 arrearage. Staff at the nursing home bought the resident shoes and provided spending money for social events, etc.
- Son stole funds to cover gambling debts.
- Son stole over \$26,000 in funds to purchase a firearm, lease hunting land, etc.
- Daughter stole over \$2,000 and she had four prior fraud felony convictions.

PARTNERS:

- Office of the Inspector General for the Social Security Administration (SSA) – assisting with field work and obtaining benefit records from the SSA.
- Financial Management Services for the U.S. Department of Treasury – assisting with identifying and retrieving payment information for each SSA beneficiary.
- Health Care Association of Michigan (HCAM) – supports project.
- Michigan Association of Homes and Services for the Aging (MAHSA) – supports project
- AARP – supports project.

PROJECT "\$CAMS" (Stop Crimes Against MI Seniors):

- The state was divided into regions. Three, the UP (Region 1), Northwest Michigan (Regions 2), and West Michigan (Region 3), are involved in the project launch.
- It is estimated the project will take at least 36 months to complete. The goal for this calendar year is 150 nursing homes. By the time the project completes in 2010, all nursing homes in the state will have been covered.
- Letters are sent to all facilities in a designated region requesting identities of any residents in arrears in payments. A significant number of residents with arrearages may not be making payments because their monies have been embezzled/misappropriated. It should be noted that, in addition to loss of funds, an arrearage for a nursing home resident is a serious matter, as it subjects the resident to potential eviction.
- Almost all of the residents in arrears also receive monthly Social Security benefits. Therefore, the Attorney General partnered with the Office of the Inspector General for the SSA to provide designated payee, bank account, and other relevant information.
- Once the above information is obtained, a field investigation is initiated. This includes substantial use of investigative subpoenas. To date, 81 investigative subpoenas have been issued.
- The primary crime charged is felony (5 year) embezzlement from a vulnerable adult, MCL 750.174a. The individuals charged usually have a fiduciary relationship(s) with the victim such as DPOA, guardian, designated social security payee (receives check directly), responsible party for the victims nursing home stay. Some have simply obtained access to accounts through unauthorized use of an ATM card etc.